

**UNITED STATE DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
CHARLOTTESVILLE DIVISION**

CIVIL ACTION NO: 3:09cv000010

SNL FINANCIAL LC

Plaintiff,

v.

PHILADELPHIA INDEMNITY INS CO.

Defendant.

PLAINTIFF'S ANSWER TO DEFENDANT'S COUNTERCLAIM

COMES NOW the Plaintiff/Counterclaim Defendant, SNL Financial LC, by counsel, and for its answer to Defendant's Counterclaim served upon its counsel states the following:

1. Admit.
2. Admit.
3. Admit.
4. Admit.
5. Admit that SNL received the letter from Murray Schwartz which is attached as Exhibit F to the Complaint. Admit that SNL retained Williams Mullen to represent it with respect to the matters raised in the letter from Murray Schwartz. Otherwise, deny.
6. Deny.
7. Admit that SNL received oral information that Murray Schwartz claimed he had

drafted a complaint against SNL on behalf of Mr. Greenberg. Admit that SNL's attorney met with Murray Schwartz in July 2008. Otherwise deny.

8. Admit. Answering further, SNL states that on July 30, 2008 it delivered a supplemental Renewal Application to Philadelphia's agent which answered question 24 regarding litigation in the past twelve (12) months. A copy of this document is attached hereto as Exhibit 1.

9. Admit that SNL signed and submitted the Renewal Application attached as Exhibit 1 to the Counterclaim. Otherwise deny. Answering further, SNL states its supplemental Renewal Application attached hereto as Exhibit 1 was delivered to Philadelphia's agent on July 30, 2008 and answered question 24.

10. Admit that Exhibit 1 to the Counterclaim is a copy of the Renewal Application signed and submitted by SNL and that the Renewal Application speaks for itself. Otherwise deny.

11. Admit that SNL signed and submitted the Renewal Application attached as Exhibit 1 to the Counterclaim. Otherwise, SNL lacks sufficient knowledge to admit or deny the remaining allegations of paragraph 11 and demands strict proof thereof.

12. Admit.

13. Admit.

14. SNL admits that a copy of the Policy has been attached as Exhibit A to the Complaint and asserts that the Policy speaks for itself. SNL admits that paragraph 14 includes several paragraphs from the Policy, although there appear to be typographical errors.

15. SNL admits that a copy of the Renewal Application is attached to the Counterclaim and that paragraph 14 contains several paragraphs from the Renewal Application. SNL admits that nothing was checked in the boxes following Question 24 in the Renewal

Application. Otherwise, SNL denies the allegations of paragraph 15. Answering further, SNL states it answered question 24 on July 30, 2008 in its supplemental Renewal Application attached hereto as Exhibit 1.

16. Admit. Answering further, SNL notified Philadelphia's agent of the Greenburg litigation on October 21, 2008.

17. Deny.

18. Admit that SNL signed and submitted the Renewal Application attached as Exhibit 1 to the Counterclaim. Otherwise deny. Answering further, SNL states it answered question 24 in its supplemental Renewal Application attached hereto as Exhibit 1.

19. Deny.

20. Admit.

21. SNL realleges, adopts and incorporates herein by reference its answers to paragraphs 1-20 as set forth above.

22. Deny.

23. Deny.

24. Deny.

25. Deny.

26. SNL realleges, adopts and incorporates herein by reference its answers to paragraphs 1-25 as set forth above.

27. SNL admits the allegations of paragraph 27 and SNL further alleges that the Greenberg Claim is covered by the Policy and that Philadelphia is obligated to indemnify and defend SNL as required by the terms of the Policy.

28. Deny.

29. Admit.

30. Deny.

31. SNL realleges, adopts and incorporates herein by reference its answers to paragraphs 1-30 as set forth above.

32. Admit.

33. Deny

34. Admit.

35. Deny.

WHEREFORE, SNL Financial LC prays that the Counterclaim against it be dismissed, that judgment be entered in its favor, and that it be awarded its costs expended herein.

SNL FINANCIAL LC

By Counsel

s/

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CERTIFICATE

I hereby certify that on March 11, 2009, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

David D. Hudgins, Esquire
Hudgins Law Firm
515 King Street, Suite 400
Alexandria, Virginia 22314

Counsel for Defendant.

s/ Thomas E. Albro

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Employment Practices Liability (continued)

18. Human Resource Policies and Procedures

Has the Applicant implemented any new employment policies or procedures over the past twelve (12) months?
☐ Yes ☒ No If yes, please provide details.

Section 4 - FIDUCIARY LIABILITY COVERAGE

(Complete this section only if Fiduciary Liability coverage is desired.)

19. List all plans for which coverage is requested (use attachment if necessary):

Plan Name	Year Established	Assets/Contributions	Type*	Participants	Administrator
Example: The ABC Manufacturing Corp 401K Plan	2000	\$1,000,000	3	75	Self
a) SNL Financial LC 401(k) Retirement Plan	1993	15,064,722.18	2	417	SELF
b)					
c)					
d)					

* 1 = Employee Welfare Benefit Plan (as defined by ERISA), 2 = Defined Contribution Plan (as defined by ERISA), 3 = Defined Benefit Plan (as defined by ERISA), 4 = Other. If "Type" is an ESOP a Fiduciary Liability - ESOP Supplement must be completed.

If additional space is needed, please attach a separate page or use the additional information page provided at the end of the application.

20. Have there been any changes to any plan listed above? ☒ Yes ☐ No If yes, provide details by attachment.

21. Has any plan requested or contemplated filing a request for termination? ☐ Yes ☒ No If yes, provide details by attachment.

22. Has any plan been spun-off (sold), transferred or terminated? ☐ Yes ☒ No If yes, provide details by attachment.

Please attach the most recent tax form 5500 for each plan listed above.

SECTION 5 - GENERAL SUMMARY
 (The Applicant must complete this section.)

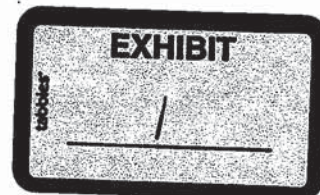
23. Please provide details on the following insurance coverage currently in place:

COVERAGES	Insurance Company	Limit of Liability	Deductible	Policy Effective Dates
General Liability	Selective Insurance	\$1000000	\$0	10/1/2007-10/1/2008
Professional Liability	One Beacon	\$5000000	\$100000	11/1/2007-11/1/2008

24. Has the Applicant been the subject or involved in any litigation in the past twelve (12) months? ☐ Yes ☒ No If yes, provide details by attachment.

25. In the next twelve (12) months, does the Applicant anticipate any substantial change or reorganization of operations? ☐ Yes ☒ No If yes, provide details by attachment.

PI-PRD-Renewal App (09/06)



NOTICE TO NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

NOTICE TO MARYLAND APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO OREGON AND TEXAS APPLICANTS: ANY PERSON WHO MAKES AN INTENTIONAL MISSTATEMENT THAT IS MATERIAL TO THE RISK MAY BE FOUND GUILTY OF INSURANCE FRAUD BY A COURT OF LAW.

NOTICE TO TENNESSEE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

Signature

The Undersigned represents that to the best of his/her knowledge and belief the statements set forth herein are true. The Undersigned further declares that any occurrence or event that takes place prior to the effective date of the insurance for which application is being made which may render inaccurate, untrue, or incomplete any statement made, will immediately be reported in writing to the Underwriter. The Underwriter may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. The Underwriter is hereby authorized to make any investigation and inquiry in connection with the information, statements and disclosures provided in this Application. The signing of this Application does not bind the Undersigned to purchase the insurance, nor does the review of this Application bind the insurance company to issue a policy. It is agreed that this Application shall be the basis of the contract should a policy be issued. This Application will be attached and become a part of the policy.

<p><u>Michael Chinin</u> Name (Please Print)</p> <p><u>[Signature]</u> Signature</p>	<p><u>President</u> Title (Must be signed by the President, Chairman or Chief Executive Officer)</p> <p><u>7/29/08</u> Date</p>
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[Signature] * CONTROLLER

As part of this Application, please submit the following documents:

- Applicant's latest fiscal year end financial statement (CPA prepared) and latest interim financial statement
- List of the Applicant's current Directors & Officers
- Copies of the most recently filed Form(s) 5500 (and attachments) for all ERISA plans for which coverage requested (If Fiduciary Liability coverage is being requested)

THE INFORMATION CONTAINED IN AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE UNDERWRITER AND ALONG WITH THE APPLICATION IS CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, SHOULD ONE BE ISSUED. THE UNDERWRITER WILL HAVE RELIED UPON THIS APPLICATION AND ATTACHMENTS IN ISSUING ANY POLICY.